

HOUSE BILL 631
By Jones U

AN ACT to amend Tennessee Code Annotated, Title 12, Chapter 2, relative to disposition of certain equipment.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 12-2-403(g), is amended by deleting the subsection in its entirety and by substituting instead the following:

(g)

(1) For purposes of this subsection, "computer and electronic equipment" shall include but not be limited to personal computers, printers, CD-ROM readers, monitors, keyboards, CPU's, scanners, cellular telephones and other telephones, pagers, televisions, switches, routers, modems, faxes, videocassette recorders, microwaves, circuit boards, copiers, personal digital assistants (PDAs), all accessories and other peripheral equipment used in a data processing operation, and any telephone system or communications device.

(2) The commissioner of general services, in consultation with the information systems council, with the approval of the governor and the commissioner of education, is authorized to transfer surplus computer and electronic equipment to local education agencies, without financial consideration; provided, that such property is suitable for educational purposes for the public schools as determined by the commissioner of education; and provided further, that the authorizing officials named in this subsection first determine that the transfer of such personal property ownership is in the best interest of the state.

(3) Prior to the disposition of surplus computer and electronic equipment, a determination shall be made as to whether requests have been made by a local

education agency for computer and electronic equipment. If suitable computer equipment is available which meets the needs of requests on file by local education agencies, such property shall be transferred, without financial consideration, to such local education agencies. If, however, available surplus computer and electronic equipment is not suitable for educational purposes or if no requests are on file by local education agencies for equipment which meets the needs of such requests, then the surplus computer and electronic equipment shall be disposed of as otherwise provided in this section.

(4) The board shall adopt rules and regulations on the procedure for the disposal of such computer and electronic equipment as provided in this subsection and, in consultation with the commissioner of education, on the procedures for a local education agency to apply for and be considered for receiving such property.

(5) The department or agency which declares the computer and electronic equipment to be surplus may be charged a fee to cover the cost of disposing of such equipment pursuant to subdivision (2). The amount of the fee shall be determined by the board of standards.

(6) All computer and electronic equipment generated by the state of Tennessee which is not disposed of pursuant to subdivision (2) of this subsection shall be disposed of by a qualified electronic recycling company by means of a negotiated contract for sale pursuant to Section 12-2-403(a)(4). In order to be eligible to participate under this subdivision, the electronic recycling company shall have conducted business for a period of at least one (1) year prior to participating under this section. The electronic recycling company may purchase outdated or surplus computer and electronic equipment from the state for fair market valuation of the equipment. If the agency or entity of state of Tennessee which generated the equipment requires the electronic recycling company to do so, the company shall remove all data and proprietary information from the equipment before the company in any manner disposes of or transfers the equipment. If the agency or entity of state of Tennessee which generated the equipment requires the company to do so, the company shall have procedures in effect concerning such

removal of data and information and shall certify such removal of data and information to the state. The qualified electronics recycling company shall appropriately dispose of all outdated or surplus computer and electronic equipment.

(7) The board shall adopt rules and regulations on the procedure for the disposal of computer and electronic equipment pursuant to subdivision (6) of this subsection.

Funds generated by the sale of equipment pursuant to subdivision (6) shall be credited to the agency or entity which generated the outdated or surplus equipment and shall be used solely for the purpose of purchasing new computer and electronic equipment for such agency or entity.

SECTION 2. The board of standards is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. This act shall take effect upon becoming a law for the purpose of rulemaking and on July 1, 2005 for all other purposes, the public welfare requiring it.